

A COMPREHENSIVE STUDY: ABOUT THE CONTEMPORARY ISSUES RELATING TO THE TRADEMARK

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ABSTRACT

The quality and reputation of the goods or services are the main criteria for the consumers when they purchase their goods or hire services from the commercial market. A great change was found in the sphere of economic and financial sectors due to Industrial revolution. Industrial revolution increased the production of goods and then those goods were brought by the manufacturers and the suppliers in the markets for sale. The publicity and the advertisement of those goods were started through the printing media. The manufacturers or the suppliers of goods had started to do it for getting benefits in the commercial market. They started providing different identifying marks to their goods or services. They did it to provide better protection to their goods and to attract the consumers to their goods. In now a day also it helps the customers to identify the goods or services easily. So, it can be said from this point of view that trademarks greatly and significantly affect the financial, mercantile and economic developments of a country in the contemporary era of globalization. The aim of this Article is to discuss it properly. After the industrial revolution the importance of trademarks in the economic arena is increasing day by day and it is well recognized by all. The source of the goods or services can be traced by identifying the trademarks. The proper using of trademark provides guarantee to the quality and reputation of the goods or services in the business world. If a comprehensive study about trade mark law is made between India and the other countries of the world it can be easily understood that throughout the world the main objective of trade mark law is to protect and secure the reputation and goodwill of the manufacturers, suppliers and traders in accordance with their goods or services. The real trade mark owner is able to protect his rights by the Trademark Laws throughout the world. The trademarks protect the customers from confusion at the time of purchasing a good. We all know and we must keep it in our mind that trademark is a kind of property. So it is entitled to protection under the law. We must give proper

importance on the fact that trademark has a great economic and financial value in the contemporary era of globalization.

INTRODUCTION

A trademark is generally a word, phrase, symbol, or design, or a combination thereof, that identifies and distinguishes the source of the goods of one party from those of others. The object of trademark law is to prevent an injury to the goodwill and reputation of the manufacturer who is the real owner of the trademark and it also helps the customers that they must not be misled as to the product, services or their sources. Trademark helps the buyers to identify the sources of the goods and it also assures the customers regarding the quality of the goods.

A mark also shall not be registered as a trade mark if it consists, exclusively of-

- (i) The shape of goods, resulting from the nature of goods themselves; or
- (ii) The shape of goods which is necessary to obtain a technical result; or
- (iii) The shape which gives substantial value to the goods.¹

Illustrations of marks allowed to be registered -

- (1) In *Himalaya Industries, Pune vs. Rajasthan Asbestos Cement Co., Jaipur*,² the Delhi High Court rejected the objection of an interested party that the word 'Himalaya' being a geographical name is not registerable, as the said mark has no such importance in respect of the goods for which it is registered.
- (2) In *Pals Distilleries Ltd. vs. Dahisar Distilleries Pvt. Ltd.*,³ the court held that the use of term "North Pole" was found capable of distinguishing the goods and it was registered.

¹ Under Section 9(3) of the Emblems and Names (Prevention of Improper Use) Act, 1950.

² 1990 PTC 201 (Reg.) (Del.).

³ 1992 PTC 41 (Reg) (Bom.).

- (3) The trade mark is entitled to registration: where a mark has no obvious meaning and is not found in any dictionary eg: Antopal.⁴
- (4) The application was allowed: if it is found to be an invented word, where the mark is slightly suggestive of nature of goods and it is not descriptive.eg: Vacuflac.⁵
- (5) Application for registration could be allowed where the “word” has no significance in business and commercial environment, and earlier registration of the mark was in respect of different class of goods, , eg: “Score” in respect of cigarettes.⁶
- (6) Where the mark sought to be registered is a distinct device of an animal, it is a distinct mark so it is entitled to registration under the Act.⁷
- (7) A fancy word like “Legend” having no direct reference to character or Quality of goods, the application for registration may be allowed by the Honourable Court.
- (8) In Gemini Distilleries Pvt. Ltd. vs. The Brihan Maharashtra Sugar Syndicate Ltd., Pune,⁸ the court held that a Surname, if it has acquired distinctiveness, may be registered as trade mark.

Eg: Gemini, Bajaj etc.

- (9) A single letter mark represented in artistic manner, if distinctive is found entitled to registration.⁹

Illustration of marks – not allowed to be registered-

- (1) A mark like “Shakti Energy – 500” relating to ayurvedic medicines having direct close and reference to character and quality of goods, cannot be registered.¹⁰

⁴ West Fallische Metall Industries K.G. Hnek & Co., West Germany vs. Autolite India Private Limited, Jaipur, 1985 PTC 247 (Reg.) (Delhi).

⁵ Eagle Flask Pvt. Ltd. vs. Laboratories Vifor (India) Pvt. Ltd., Bom. 1990 PTC 49 (Bom).

⁶ I.T.C. Ltd. Calcutta vs. Golden Tobacco Company, Limited, Bom. 1992 PTC 38 (Bom).

⁷ Caterpillar Tractor Company, Peoria, Illinois, USA vs. Union Carbide India Ltd., Calcutta, 1987 PTC 164 (Reg.). Cal.

⁸ 1988 PTC 93 (Reg). (Bom.).

⁹ Kamani Tubes Ltd. Bom. Vs. Kohler Co. Kohler, USA 1989 PTC 226 (Reg). (Bom.).

¹⁰ Shakti Vikas Sansthan, Aligarh vs. Ayurved Vikas Samsthan, Moradabad, 1991 PTC 34 (Reg) (Delhi).

- (2) Application for registration of trade mark “Tripti” was rejected by the court on the ground that the applicant’s mark “Tripti” has direct reference to the character and quality of goods.¹¹
- (3) A geographic name like “Pacific” refers to the character and quality of goods, registration of such a mark is disallowed.¹²
- (4) Where a trade mark in the form of surname “Zimmer” was found to be present in the Telephone Directory of London and it was found that there was no distinctiveness in the mark, the entry of the mark was expunged from the register.¹³
- (5) Where a common female name like “Amrita” was sought to be registered, but the proprietary rights were not proved to have been acquired, in accordance to the view of the deceptive similarity, application for registration was disallowed.¹⁴
- (6) The registration would not be permissible where a common name of “Vishnu” was sought to be registered but there was no evidence to show that the mark acquired factual distinctiveness.¹⁵

PROTECTION OF WELL-KNOWN TRADE MARKS

When the Registrar receives an application for registration of “well-known trade mark”, of course for different goods or services, he has to consider the following factors for determining whether a trade mark is a well-known trade mark¹⁶-

- (i) the knowledge or recognition of that trade-mark in the relevant section of the public etc.,
- (ii) the duration, extent and geographical area of any use of that trade-mark;
- (iii) the duration, extent and geographical area of any promotion of the trade mark;
- (iv) the duration and geographical area of any registration of or any application for registration of that trade mark under the Act;

¹¹ *Campa Beverages Pvt. Ltd. vs. Tripti Enterprises*, 1984 PTC 129 (Reg) (Delhi).

¹² *I.T.C. Ltd., Calcutta vs. Golden Tobacco Company, Limited, Bombay* 1988 PTC 301 (Reg) (Bom.).

¹³ *Zimmer Orthopaedic Ltd. London vs. Kith De Fair, New Delhi*, 1985 PTC 133 (Reg) (Delhi).

¹⁴ *Nav Maharashtra Chakan Oil Mills Ltd., Pune vs. Bharat Oil & Pashu Ahar, Udyog, Jaipur*, 1993 PTC 201 (Reg). (Ahmd.).

¹⁵ Under Section 10 of the Act of 1999 which corresponds to Section 9 of the 1958 Act.

¹⁶ Under Section 11(6) of the Act.

- (v) The record of successful enforcement of the rights in that trade mark, in particular, the extent to which, the trade-mark has been recognized as a well-known trade-mark by any court or Registrar under that record.

WHAT ARE THE TYPES OF TRADEMARKS THAT CAN BE REGISTERED

Under the Indian trademark law the following are the types of trademarks that can be registered:

- Product trademarks: are those that are affixed to identify goods.
- Service trademarks: are used to identify the services of an entity, such as the trademark for a broadcasting service, retail outlet, etc. They are used in advertising for services.
- Certification trademarks: are those that are capable of distinguishing the goods or services in connection with which it is used in the course of trade and which are certified by the proprietor with regard to their origin, material, and the method of manufacture, the quality or other specific features.
- Collective trademarks: are registered in the name of groups, associations or other organizations for the use of members of the group in their commercial activities to indicate their relationship of the group.

WHAT ARE BENEFITS OF TRADEMARK REGISTRATION

The registration of a trade mark confers upon the owner of the trade mark the exclusive right to the use of the registered trade mark and indicates so by using the symbol (R) in relation to the goods or services in respect of which the mark is registered and seek the relief of infringement in appropriate courts in the country. The exclusive right is however subject to any conditions entered on the register such as limitation of area of use etc. In the cases where two or more persons have registered identical or nearly similar mark due to special circumstances such exclusive right does not operate against each other.

The sources of trademark legislation:

- (1) The national statute i.e., the Trade Marks Act, 1999 and rules made there under.
- (2) International multilateral convention.
- (3) National bilateral treaty.
- (4) Regional treaty.
- (5) Decision of the courts.
- (6) Office practice and rulings
- (7) Decision of Intellectual Property Appellate Board.
- (8) Text books written by academician and professional experts.

Absolute grounds for refusal of registration:

Trademarks which are not capable of distinguishing the goods/services of one person from those of another person are devoid of distinctive character and thus liable for objection under absolute grounds for refusal of trademarks. According to the Trademark Act, the following are absolute grounds for refusal of trademark registration:

- ❖ Trademarks which are devoid of any distinctive character; that is to say, not capable of distinguishing the goods or services of one person from those of another person
- ❖ Trademarks which consist exclusively of marks or indications which may serve in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, or the time of production of goods or of rendering of services, or other characteristics of goods or services;
- ❖ Trademarks which consist exclusively of marks or indications which have become customary in the current language or in the bona fide and established practices of the trade: shall not be registered.

To get a trademark registration in India, application for the registration of trade mark is to be sent to the concerned zonal trademarks office, according to the location of the applicant company.

Generally, within one year any divisional trademark registry office of India completes the process of registration. Here we can say that if any confusion arises regarding the originality and uniqueness of the forwarded trade mark, and if any opposition or infringement allegation by other companies arises, the process of registration of the trade mark may take longer time. The initial registration of a trademark stands valid and effective for a period of ten years and it is counted from the date of its registration.

International Trademark Registration:

Trademark registration is territorial in nature. Separate applications need to be filed in each country where a company wishes to register its trademark. If a company plans to sell and market internationally, it is essential to register its trademarks in those countries. Usually, the party who first registers a mark owns it. Therefore, it is significant to register a company's trademarks in each country where the company wants to start its market.

JUDICIAL RESPONSES FOR THE PROTECTION OF TRADEMARKS IN THE CONTEMPORARY ERA OF GLOBALIZATION

- 1) In *Intel Corporation vs. Anil Hada and another*,¹⁷ the court held that registration of a trade mark gives exclusivity to a trader to deal in goods using the symbol or a mark.
- 2) In *Hi-Tech Pipes Ltd. vs. Asian Mills Pvt. Ltd.*,¹⁸ the Delhi High Court held that the geographical name 'Gujrat' can be used as trade mark in relation to steel pipes, as the same has acquired a secondary meaning and distinctiveness over a period of time, due to its continuous use and application. So, the defendants who wanted to use a similar

¹⁷ 2006 (33) PTC 553 (Del.).

¹⁸ 2006 (1) RAJ 177 (Del).

geographical name i.e. 'Gujarat' in respect of 'MS ERW' Pipes, were restrained from using the same.

- 3) In *Societe Des Produits Nestle, S.A. and another vs. M/s. Prayag Nutri Products Pvt. Ltd.*,¹⁹ the Delhi High Court held that adoption and use of trademark "magic" by defendant who sells chaco-coated wafer in the packaging similar to that of the plaintiff's wafer biscuit "Munch" in terms of get-up, arrangement of features, colour combination layout would cause confusion and deception about the mark in the minds of the customers. So, the court granted injunction against the defendant.
- 4) In *Essco sanitations, Delhi vs. Mascot Industries (India)*,²⁰ it was found that the marks "Essco" and "Osso" were deceptively similar; therefore the trademark "Osso" could not be allowed to be used as it was deceptively similar.
- 5) In *Mahendra & Mahendra Paper Mills Ltd. vs. Mahindra & Mahindra Ltd.*,²¹ the Supreme Court granted an injunction against the defendants in original suit who wanted to use trade name 'Mahendra & Mahendra' for their paper business, which trade name is similar to 'Mahindra & Mahindra' of the plaintiffs.
- 6) In *Satyam Infoway Ltd v Siffynet Solutions Pvt Ltd*,²² the Supreme Court held, among other things, that domain names are business identifiers and should be protected as far as possible by the law of passing off. The court also stated that domain names require specific protection under the law of passing off since they are not limited territorially, and as a result may not be adequately protected by national laws such as the Trademarks Act.
- 7) In *Tata Sons Ltd v Fashion ID Ltd*,²³ passing off actions are available to owners of distinctive domain names. The court also stated that the Internet is a marketplace where people buy and sell different products, and any confusion over a domain name would mislead the customer and eventually cause damage to the prior user of the name. The court ordered damages of Rs 100,000.

¹⁹ 2011 (6) RAJ 59 (Delhi)

²⁰ AIR 1982 Del. 308 (India)

²¹ AIR 2002 SC 117

²² (2004 (28) PTC 566 (SC)

²³ (CS (OS) 1176 /2002

- 8) In *SBL Limited v. Himalaya Drug Company*,²⁴ the court held that nobody can claim exclusive right to use any generic word, abbreviation, or acronym which has become publici juris. In the trade of drugs it is common practice to name a drug by the name of the organ or ailment, which it treats or the main ingredient of the drug. Such an organ ailment or ingredient being public jurisdiction or generic cannot be owned by anyone for use as a trademark.
- 9) In *Dharampal Premchand v Tara Zarda Factory*,²⁵ this case is relating to a trademark used for tobacco-based products, the court ordered the defendant to buy 50 spittoons for a cancer hospital.
- 10) In *Sholay Media Entertainment v Parag Sanghvi*,²⁶ this case concerned a remake of Indian film *Sholay*. The defendant was restrained from infringing the plaintiff's copyright and registered trademarks in the title of the film *Sholay* and its key character, *Gabbar Singh*, and any other deceptively similar marks/names.
- 11) In *Colgate Palmolive Company v Anchor Health and Beauty Care Pvt Ltd*,²⁷ the court stopped the defendant from using red and white in its packaging and trading as the plaintiff had proprietary rights over the combination when used for toothpastes.
- 12) In *Time Incorporated v Lokesh Srivastav*,²⁸ the court awarded both compensatory damages and punitive damages for infringement of the trademark *TIME*. The court awarded the plaintiff Rs 500,000 for loss of reputation, plus Rs 500,000 in punitive damages, including interest; the total damages award was Rs 1.6 million. The court held that the defendant's magazine, which used the Hindi transliteration of the word 'Time' with a distinctive red border, was a slavish imitation of the plaintiff's trademark and held the defendant liable for infringement.

²⁴ 67 (1997) DLT 803 (DB)

²⁵ (CS (OS) 2/2006)

²⁶ CS (OS) 1892/2006

²⁷ 2003 (27) PTC 478 (Del)

²⁸ 2005 (30) PTC 3 (Del)

CONCLUSION

Intellectual Property Rights allow people to assert ownership rights on the outcomes of their creativity and their innovative activity in the same way that they can own physical property. Intellectual Property arises out of the human labour hence it is bound by a number of changes. A trademark is any sign that individualizes the goods of a given enterprise and it distinguishes them from goods of its competitors. Marketing of a particular good or service by the producer is much better off as by trademark because recognition of a good becomes easier and quality is assured. The owner of the mark can prevent the use of similar or identical signs by the competitors if such marks can lead to confusion. By this way similar low quality substitutes will be prevented from replacing the good quality ones.

The Trade Marks Act 1999 was passed by the Government of India so that the Indian Trademark Law will be in compliance with the TRIPS obligation on the recommendation of the World Trade Organization. The object of the 1999 Act is to confer the protection to the user of the trademark on his goods and prescribe conditions on the acquisition, and the legal remedies for enforcement of trademark rights. It will for the first time protect service marks and give provisions of registration for the collective marks. It will also differentiate between well-known trademarks and trademarks in general, and also special treatment and rights are envisaged for the well-known trademarks.

According to my opinion, though law relating to trade marks is enacted by our Legislatures to protect the trademarks of our country, but sometimes it is observed and it is found out clearly from so many instances that it is not always enough to protect the trademarks and to prevent the trademarks infringement properly. So, I am suggesting that more rules regarding the protection of trademarks are necessary for the proper substantial development of economic, financial and mercantile activities of our country in the contemporary era of globalization in the modern business world.